

## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20054

In the Matter of	)	/
Federal-State Joint Board On Universal Service	) ) )	CC Docket No. 96-45
Forward-Looking Mechanism for High Cost Support for	)	CC Docket No. 97-160
Non-Rural LECs	)	

## **COMMENTS**

The National Exchange Carrier Association, Inc. (NECA) submits these comments in response to the Federal Communications Commission's (FCC or Commission) *Further Notice of Proposed Rulemaking*.<sup>1</sup> The *FNPRM* invites comment on a wide range of issues, including the Commission's proposal to require carriers, who serve under 100,000 access lines, to file a rural certification letter only if their status changes.<sup>2</sup>

Currently, Commission procedures require local exchange carriers (LECs) seeking to be classified as rural telephone companies to file a letter certifying that they meet the statutory definition of rural telephone company with the Commission by April 30 of each year.<sup>3</sup> The Common Carrier Bureau uses the rural certification letters to

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<sup>&</sup>lt;sup>1</sup> Federal-State Joint Board on Universal Service, and Forward-Looking Mechanism for High Cost Support for Non-Rural LECs, CC Docket Nos. 96-45 and 97-160, Further Notice of Proposed Rulemaking, 64 FR 31780 (1999) (Further Notice of Proposed Rulemaking or FNPRM).

 $<sup>^{2}</sup>$  FNPRM at ¶ 246.

<sup>&</sup>lt;sup>3</sup> See Self-Certification as a Rural Telephone Company, *Public Notice*, 12 FCC Rcd 12093(1997)(*Public Notice*). In March 1999, the Commission issued a second public notice that revised the annual deadline for LECs to submit self-certification letters from April 30 to July 1 of each year. *See* Common Carrier Bureau

Administrative Company (USAC). LECs are also expected to inform the Commission and USAC of any change in their rural carrier status within one month of the change.<sup>4</sup> Neither the Telecommunications Act<sup>5</sup> nor the Commission's rules require all carriers to submit annual certifications.<sup>6</sup>

NECA supports the Commission's proposal to modify its rural certification procedures. As NECA explained in its letter of April 1999, the majority of carriers that meet the "rural" definition are small LECs with limited resources, and whose status is not likely to change. The annual certification procedure is administratively burdensome for these carriers and for the Commission, who then must compile an entirely new list. Additionally, modifying the procedure, as suggested by the Commission, will alleviate the possibility that a small carrier could inadvertently neglect to file the required letter in a future year, potentially disrupting universal service funding to areas most in need.

NECA suggests that the Commission require notification within 30 days of a carrier's change in status, similar to the procedure the Commission specified in its 1997

Sends Updated Lists of Rural and Non-Rural Telephone Companies to the Universal Service Administrative Company and Changes 1999 Self-Certification Filing Deadline, CC Docket No. 96-45 *Public Notice*, DA 99-459 (Mar. 16, 1999)(*March Public Notice*).

<sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> Pub. L. No. 104-104, 110 Stat. 56 (1996) (Telecommunications Act).

<sup>&</sup>lt;sup>6</sup> The annual re-certification policy was established by Public Notice, therefore it seems feasible for the Commission to amend it in the same manner with minimal expenditure of administrative resources. See Public Notice.

<sup>&</sup>lt;sup>7</sup> See Letter of Richard A. Askoff, Deputy General Counsel, NECA, to Irene Flannery, Chief, Accounting Policy Division, FCC (April 9, 1999)(NECA Letter).

Public Notice.<sup>8</sup> This procedure would provide the Commission with the information it needs, in a timely manner, without imposing unnecessary administrative burdens on the Commission or rural carriers.

Respectfully submitted,

July 23, 1999

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<sup>&</sup>lt;sup>8</sup> See Public Notice.

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I hereby certify that copy of the Reply Comments was served this 23rd day of July 1999, by electronic filing, hand delivery or first class mail, to the persons listed below.

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